

BILL # HB 2100

TITLE: schools; transportation support level

SPONSOR: Boone

STATUS: As Introduced

REQUESTED BY: House

PREPARED BY: Jake Corey

FISCAL ANALYSIS

Description

The bill increases the number of school days used in the Basic State Aid funding formula to determine the Transportation Support Level (TSL). Currently the formula takes into account 175 days. The bill would increase the number of days to 180 in FY 2006 and each year after.

Estimated Impact

We estimate that the bill would have a General Fund cost of \$4,574,500 in FY 2006.

Analysis

The TSL is an amount of money, generated by a formula in A.R.S. § 15-945, that is distributed to school districts for their transportation costs. The TSL consists of 4 components that are added together to determine the final amount. Those 4 components are 1) To and From School Transportation Support Level (TFSSL), 2) Bus Passes and Tokens, 3) Field Trip Support Level, and 4) Extended School Year Support Level. Of those 4 components, the number of school days affects only the TFSSL in the formula. The TFSSL is determined by finding the product of 1) the average daily route miles, 2) the number of school days, and 3) the state support level per route mile.

Over the last 3 years the TFSSL has grown by an average of 7%. In FY 2004, we estimate that the TFSSL will equal \$147,115,100. Apart from the bill (i.e., assuming 175 days and a 7% level of growth), we estimate that the TFSSL would equal \$168,535,100 in FY 2006. Increasing the number of days would increase the TFSSL by about 2.9% ($180/175=1.029$) in FY 2006. This would amount to an additional state General Fund cost of \$4,574,500 in FY 2006. This estimate was reduced by 5% to reflect the fact that about 5% of Basic State Aid costs are attributable to “zero aid” school districts, which do not receive state funding under the K-12 equalization funding formula (see Local Government Impact section below).

Local Government Impact

The bill would have a local taxpayer impact for school districts that do not receive any state funding under the K-12 equalization funding formula because of their strong local tax base (i. e., “zero aid” districts). Traditionally, these districts have accounted for 5% of Basic State Aid costs. This would equal \$240,800 in FY 2006.

1/21/04